

UNCLAIMED PROPERTY OWNERS' BILL OF RIGHTS 2007

Mission

The sole objective of the Unclaimed Property Program is to (a) reunite lost and abandoned property with their rightful owners and to (b) safeguard these properties from being used by private interests for personal gain.

Types of Property Reported to the State

Property which may be turned over to the State includes, but is not limited to: safe deposit accounts, safe deposit boxes, uncashed payroll checks, cashier checks, vendor checks, securities, dividends, insurance proceeds, security deposits as well as other types of intangible property.

California Code of Civil Procedure sections 1510 through 1521 generally require property to be reported to the State after a certain period of inactivity by the owner. In the case of a bank account, for example, a banking organization is required by law to report property when the owner, for more than three years, has not done any of the following:

- (1) Increased or decreased the amount of the deposit, cashed an interest check, or presented the passbook or similar evidence of the deposit for the crediting of interest.
- (2) Corresponded electronically or in writing with the banking organization concerning the deposit.
- (3) Otherwise indicated an interest in the deposit as evidenced by a memorandum or other record on file with the banking organization.

Notice

Prior to reporting property to the State, banking or financial institutions and other businesses are required by law to mail a notice to the owner that the property will be turned over to the State. The notice is to be mailed not less than six months or more than 12 months before the time the property is reported to the State. The notice is to contain a form by which the owner may declare their intention to maintain the account or confirm the owner's current address. If that form is filled out, signed by the owner, and returned to the organization, the property will not be turned over to the State.

Additionally, the Controller will also mail a notice to each owner which informs the owner that the property may be transferred to the State, the name of the organization in possession of the property, and contact information necessary to prevent the property from being transferred to the State.

Once property has been received by the State of California it will be administered by the Controller pursuant to the Unclaimed Property Law. The State Controller, and his relevant agents and employees, shall advance and protect the following rights afforded to all owners whose property has been turned over to the State pursuant to the Unclaimed Property Law, Code of Civil Procedure Sections 1500 et seq.

Rights and Protections

- (1) Each claimant shall be treated with consideration, respect and dignity.
- (2) An owner may file his or her claim directly with the Unclaimed Property Division at any time free of charge. Claiming instructions and forms may be obtained on the Controller's web site at:
<http://www.sco.ca.gov/col/ucp/filinginstr/index.shtml>
Or directly from:
Unclaimed Property Division
P.O. Box 942850
Sacramento, CA 94250-5873

Or by telephone at: 1-800-992-4647
- (3) Property transferred to the State or, if sold, the net proceeds from the sale of the property may be claimed in perpetuity by the owner or his or her heirs. For purposes of filing the claim, an owner is defined by law as the person who had a legal right to the property prior to its transfer to the State, his or her heirs, or his or her legal representative.
- (4) Within 30 business days of receipt of a claim, the Unclaimed Property Division will provide written or electronic confirmation to the claimant that his/her claim has been received. However, the confirmation will not be sent if the claim has been approved for payment within 30 business days of receipt. In such case, the claimant will receive a warrant or a claim approval letter in place of an acknowledgement of receipt.
- (5) The Unclaimed Property Division will consider each claim received within 180 days after the claim is received and will either approve the claim, request additional documentation to support the claim or provide written notice to the claimant if the claim is denied in whole or in part.

- (6) If a claim has been returned once to a claimant for additional documentation or information and the claimant returns the requested documents or information, the claim will not be returned a second time for additional documentation without the Unclaimed Property Division first contacting the claimant to discuss the claim and clarify what is needed.
- (7) If the property has been sold by the State Controller as authorized by law, the owner will be entitled to the net proceeds of the sale.
- (8) Any property that is delivered to the care of the Unclaimed Property Division that has no apparent commercial value shall, nonetheless, be retained and safeguarded for a period of not less than eighteen months in order to provide its owner with every reasonable opportunity to claim his/her property.

Appeal Rights

An owner whose claim has been denied or returned for additional documentation may request an informal appeal of the denial by contacting the Controller's legal office within 30 days of the date of the denial or date the claim is returned. Prior to requesting an informal appeal, the claimant should have made all reasonable attempts to provide the Unclaimed Property Division with all documentation needed to support the claim.

Upon receipt of the request for an informal appeal, the Controller's legal office will review the file and may schedule a hearing and request additional evidence. At the conclusion of the legal review, the legal office will provide written notice informing the claimant that either the claim is approved or that the Division's determination to deny the claim is affirmed. Informal appeals should be addressed as follows:

Legal Office
State Controller's Office
300 Capitol Mall, Suite 1850
Sacramento California 95814

Judicial Action on Determinations

Any claimant aggrieved by a decision of the Controller's Office or who has not received a decision from the Unclaimed Property Division within 180 days after filing the claim may commence an action to establish his or her claim in the superior court in any county or city and county in which the Attorney General has an office. The action must be filed within 90 days after the decision is made or within 270 days from the filing of the claim if no decision has been made by the Controller.

Office of the Property Owner Advocate

In furtherance of the aforementioned rights and protections afforded to property owners and to improve the responsiveness of the Unclaimed Property Division to the public it serves, an Unclaimed Property Owner Advocate shall be established. The Advocate will be available to assist claimants who have not been able to resolve their claims in a timely manner with the Unclaimed Property Division and shall be charged with the following duties and responsibilities:

- (a) Receive requests from claimants to review the status of their claims.
- (b) Assist the claimant in facilitating and exhausting all administrative remedies available to claimant to resolve the claim.
- (c) Communicate results of the Advocate's review to the claimant and provide information regarding resolution of the claim or any further legal remedies available to the claimant if the claim has not been resolved.
- (d) Summarize issues identified in the cases handled and recommend policy or operational changes that may facilitate better customer service.
- (e) Survey claimants who have completed the claiming process to gather feedback on how customer service can be further enhanced.
- (f) Work with the Controller and his executive staff on legislative reforms necessary to improve the efficacy of the Unclaimed Property Program.